

UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF
DELAWARE

Burtch v. Voyager Pacific Opportunity Fund II, LLC

Burtch · No. Adv. No. 25-51045 (MFW) · Decided January 22, 2026

SUMMARY

The United States Bankruptcy Court for the District of Delaware considered Voyager Pacific Opportunity Fund II, LLC’s motion to dismiss claims arising from a loan to the debtors and repayment of the loan. The court dismissed the constructive fraudulent-transfer claim as to repayment of the \$750,000 principal and dismissed the claim seeking disallowance of Voyager’s claim, but allowed the actual fraudulent-transfer claim to proceed. The opinion was issued in the chapter 7 bankruptcy of BW Industries, Inc. and related debtors.

CASE DETAILS

COURT	United States Bankruptcy Court for the District of Delaware
WRITING FOR THE COURT	Mary F. Walrath
JURISDICTION	United States Bankruptcy Court for the District of Delaware
DECIDED	January 22, 2026
DOCKET	Adv. No. 25-51045 (MFW)
DISPOSITION	other
PROCEDURAL POSTURE	Defendant Voyager Pacific Opportunity Fund II, LLC moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss Counts 3, 4, and 6 of the Chapter 7 trustee's adversary complaint seeking avoidance of loan-related transfers and disallowance of Voyager's claims.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the complaint must contain sufficient factual matter to state a plausible claim for relief; labels, conclusions, and formulaic recitations are insufficient. The moving party bears the burden of showing dismissal is appropriate. Fraud allegations are subject to Rule 9(b), although Chapter 7 trustees receive some additional latitude in pleading fraud.
PRECEDENTIAL VALUE	Unknown; memorandum opinion

TOPICS

- fraudulent transfer
- motions to dismiss
- chapter 7
- adversary proceedings
- bankruptcy

PRACTICE AREAS

Bankruptcy

Commercial litigation

Civil procedure

Fraudulent transfers

Adversary proceedings

QUESTIONS PRESENTED

1. Whether the complaint stated a constructive fraudulent-transfer claim concerning repayment of the \$750,000 loan principal.
2. Whether satisfaction of an antecedent debt for reasonably equivalent value categorically precludes an actual fraudulent-transfer claim under 11 U.S.C. § 548(a)(1)(A).
3. Whether the trustee could seek disallowance of Voyager's claims under 11 U.S.C. § 502(d) when Voyager had not filed a claim in the bankruptcy cases.

HOLDINGS

1. The trustee failed to state a plausible constructive fraudulent-transfer claim as to the \$750,000 principal repayment because the Debtors received the same amount from Voyager and repayment of that amount constituted reasonably equivalent value.
2. Providing reasonably equivalent value or satisfying an antecedent debt does not categorically bar an actual fraudulent-transfer claim under 11 U.S.C. § 548(a)(1)(A). The trustee plausibly alleged that Voyager's principal knew of the Debtors' financial difficulties and allegedly fraudulent conduct, so Count 4 survived dismissal.
3. Count 6 was dismissed because Voyager had not filed a claim in the Debtors' bankruptcy cases, and the trustee did not oppose dismissal.

KEY QUOTATIONS

“The plaintiff must state enough facts for the Court to determine that “a claim for relief is plausible on its face.”” (at 4)

“Providing value is not an absolute bar to an actual fraudulent transfer claim under section 548(a)(1)(A).” (at 14)

“The Court has made no such findings of good faith at this stage, but the Court finds that the Trustee has sufficiently alleged that the Transfer was not made in good faith.” (at 16)

FACTUAL BACKGROUND

The Debtors, whose annual revenues were allegedly below \$5 million while expenses exceeded \$50 million annually, obtained a \$750,000 loan from Voyager on December 12, 2022. The note required repayment of the principal plus a \$25,000 fixed loan fee four days later, and the Debtors paid Voyager \$779,917.81 on December 23, 2022. After the Debtors filed Chapter 7, the trustee alleged that the loan obligations and repayment were fraudulent transfers, asserting that Voyager's principal, David Hardcastle, knew of the Debtors' financial difficulties and allegedly fraudulent efforts to conceal them.

PROCEDURAL HISTORY

BW Industries and its affiliates filed Chapter 7 petitions on June 28, 2023, and Geoffrey L. Burtch was appointed trustee. On June 27, 2025, the trustee commenced this adversary proceeding against Voyager, asserting constructive and actual fraudulent-transfer claims and seeking recovery and claim disallowance. Voyager moved to dismiss Counts 3, 4, and 6. The court granted the motion as to Counts 3 and 6 and denied it as to Count 4.

DISPOSITION

other

CASES CITED

- In re Intel Corp. Microprocessor Antitrust Litig., 496 F. Supp. 2d 404, 408 (D. Del. 2007)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555, 570 (2007)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Beskrone v. OpenGate Cap. Group, LLC (In re PennySaver USA Publishing, LLC), 602 B.R. 256, 267 (Bankr. D. Del. 2019)
- VFB LLC v. Campbell Soup Co., 482 F.3d 624, 631 (3d Cir. 2007)
- Kendall v. Lancaster Exploration & Dev. Co., LLC, 323 F. Supp. 3d 664, 676 n. 67 (M.D. Pa. 2018)
- Burkart v. Bisessar (In re Singh), No. 12-2312D, 2015 WL 1887939, at *16 (Bankr. E.D. Cal. Apr. 22, 2015)
- Annod Corp. v. Hamilton & Samuels, 100 Cal. App. 4th 1286, 1294-95, 1299 (2002)
- TSIC v. Thalheimer (In re TSIC, Inc.), 428 B.R. 103, 114-15 (Bankr. D. Del. 2010)
- Ogle v. JT Miller, Inc. (In re HDD Rotary Sales, LLC), 512 B.R. 877, 885-86 (Bankr. S.D. Tex. 2014)
- Universal Home Improvement v. Robertson, 51 Cal. App. 5th 116, 119-20, 127 (2020)
- Wyzard v. Goller, 23 Cal. App. 4th 1183, 1188 (1994)
- Kasolas v. Nicholson (In re Fox Ortega Enters., Inc.), 631 B.R. 425, 446, 465, 467-68 (Bankr. N.D. Cal. 2021)
- Rebein v. Cornerstone Creek Partners, LLC (In re Export S. Tulsa, LLC), 842 F.3d 1293, 1297 (10th Cir. 2016)
- Farmers Ins. Exch. v. Zerin, 53 Cal. App. 4th 445, 460 (1997)
- Astiana v. Hain Celestial Grp., Inc., 783 F.3d 753, 762 (9th Cir. 2015)
- Ghirardo v. Antonioli, 14 Cal. 4th 39, 51 (1996)
- Retired Emps. Ass'n of Orange Cty., Inc. v. County of Orange, 52 Cal. 4th 1171, 1178 (2011)
- Butler v. Anderson (In re C.R. Stone Concrete Contractors, Inc.), 462 B.R. 6, 27 (Bankr. D. Mass. 2011)
- Butler v. Anderson (In re Best Products Co., Inc.), 168 B.R. 35, 57 (Bankr. S.D.N.Y. 1994)
- Frontier Bank v. Brown (In re N. Merchandise, Inc.), 371 F.3d 1056, 1059 (8th Cir. 2004)
- Harman v. First Am. Bank of Md. (In re Jeffrey Bigelow Design Grp., Inc.), 956 F.2d 479, 485 (4th Cir. 1992)
- Rubin v. Mfrs. Hanover Tr. Co., 661 F.2d 979, 991-92 (2d Cir. 1981)